

## EXHIBIT 14-A



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March 15, 2021

Thomas Christensen  
MPWMD Environmental Resources Division Manager  
5 Harris Court, Bldg. G  
Monterey CA 93940

**Subject: Budget Amendment Request for Los Padres Dam & Reservoir Alternatives & Sediment Management Study, AECOM Project No. 60536296**

Dear Mr. Christensen,

The AECOM Team is requesting additional budget for the Los Padres Dam and Reservoir Alternatives and Sediment Management Study (Study). This proposal has been updated based on comments from and discussion with Monterey Peninsula Water Management District (MPWMD) and California American Water Company (CalAm).

AECOM developed its cost proposal for the Study in 2016 based on a scope and schedule that would have had the Study complete in 2018. Due to the relatively short duration of the project, the cost proposal did not account for annual rate increases and the associated escalation of costs, nor for the management and coordination effort required over a longer study duration. However, significant delays outside of AECOM's control have extended the Study duration from less than 2.5 years to over 5 years, and the current schedule indicates completion of the Study in 2022. In order to support the Study at the same level of effort as that originally proposed in 2016, AECOM proposes to escalate the approved budget for incomplete tasks so that they are budgeted at 2021 billing rates, as opposed to 2016 rates, and to allow for a suitable familiarization effort to get all leads up to speed on the latest developments and information prior to kicking off the alternatives formation phase. This proposal also includes limited effort to include new information from NMFS into the Study.

The initial Study delay was caused by additional work requested by the Technical Review Committee (TRC) during completion of the Sediment Management Options task (Task 2) and extended the project duration roughly 1 year. AECOM completed Task 2 in March 2019 and was prepared to proceed with Task 3 at that time, but the TRC's requests of analyses being developed by MPWMD and others continue to delay the Study. Although the AECOM Team has maintained limited involvement in the Study over the past 2 years as the TRC, MPWMD, and others have worked through completion of the analyses upon which the AECOM Team's next tasks depend, this has not contributed to completion of our approved scope of work and has resulted in depletion of budget for upcoming tasks. For example, the Task 3 (Evaluate Effects on Steelhead) budget is over 25 percent spent and although we have provided several report outline's for MPWMD's consideration, and have participated in many meetings, we have not yet initiated the approved scope of work because it is dependent on the analyses still underway by others. In addition to additional budget for meetings and coordination already complete proposed for Task 3, this proposal also includes time to incorporate new information from NMFS' Carmel River fisheries study into the Task 3 analysis. This information was not available or anticipated when the original scope of work was developed.

As we look towards upcoming completion of the analyses that will allow the AECOM Team to resume our approved scope of work, it is apparent that we will need to spend appropriate effort familiarizing the AECOM Team (including a new design lead) with where we left things, along with the latest

developments and industry knowledge, before we can kick off the next phase. Our scope of work is a multidisciplinary scope that depends on integration of input from our civil design engineers, geotechnical engineers, geologists, hydrologists, and biologists, and it is critical that each discipline lead have a comprehensive understanding of the full body of work. Therefore, we have proposed a new Restart Task 1-5 that will allow the AECOM Team to review past materials and convene an internal workshop that will allow us to move forward in a coordinated and efficient manner.

In summary, AECOM proposes the following additions to the AECOM Team budget for the Study:

- \$47,450 for 3 percent annual escalation of approved budgets for incomplete tasks, to bring the 2016 costs current with 2021
- \$21,550 restart cost to refamiliarize AECOM Team Study participants with previous work and work completed by others over the past 2 years
- \$11,110 for incorporating available results from NMFS' Carmel River steelhead study, as described in NMFS' annual Carmel River Steelhead Fisheries reports, into Task 3. AECOM assumes this will include all reports through the 2021 annual report which will be available as a draft by April 30, 2021 and as a final report by May 31, 2021.
- \$14,110 for additional meetings and coordination that has occurred throughout the Study, primarily associated with Task 3, but including extra effort spent across all Study tasks. This additional budget is for meetings, coordination, review of third-party materials, and other effort that has already been spent. The amount requested is roughly equal to the amount the Task 3 budget has been depleted prior to initiating the approved Task 3 scope of work. The intent in including the additional meetings line item for the steelhead task is to account for the work that has occurred to date and restore the task funding to that which was previously approved, because we have not initiated the approved task scope of work and still anticipate needing the full budget to complete the task.

The total budget request is an additional \$94,220, which, when combined with the currently approved contract budget would bring the total contract budget to \$794,920. A table describing these costs in more detail is attached to this letter, followed by a revised schedule that includes the AECOM Team's Study Restart task and Task 3 dependence on availability of the 2021 annual report from NMFS. We recommend that this amendment be reviewed and approved in time for the additional Task 1-5 Restart budget to be available when the AECOM Team is asked to resume its approved scope of work on the Study. If you have any questions, please contact Jon Stead at [jon.stead@aecom.com](mailto:jon.stead@aecom.com) or 510-874-3058.

Sincerely,



Jonathan Stead  
Project Manager  
**AECOM**



Theodore Feldsher  
VP, Dams/Water Resources Section Manager  
**AECOM**

Cc: Aman Gonzales, California American Water

Attachments:

Attachment A - Summary of Current Task Budgets, Task Status, and Proposed Budgets for Contract Amendment

Attachment B – Revised Study Schedule Showing Restart



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**Attachment A: Summary of Current Task Budgets, Task Status, and Proposed Budgets for Contract Amendment**

Task	Description	Approved Budget	Task Status	Rate Escalation Cost 2016 to 2021*	Restart Cost	Incorporate NMFS Results	Additional Meetings & Coordination	Total Amendment 3 Add Budget
<b>1</b>	<b>Feasibility Study Preparation</b>	<b>\$44,392</b>	<b>Complete</b>	<b>\$0</b>	<b>\$21,553</b>	<b>\$0</b>	<b>\$0</b>	<b>\$21,553</b>
1-1	Compile Background Information	\$12,195	Complete	\$0	\$0	\$0	\$0	\$0
1-2	Prepare Evaluation Criteria	\$10,225	Complete	\$0	\$0	\$0	\$0	\$0
1-3	Identify Critical Data Gaps	\$7,158	Complete	\$0	\$0	\$0	\$0	\$0
1-4	TRC Meeting No. 1	\$14,814	Complete	\$0	\$0	\$0	\$0	\$0
1-5	Restart Reviews and Internal Workshop	\$0	Incomplete	\$0	\$21,553	\$0	\$0	\$21,553
<b>2</b>	<b>Sediment Management Options</b>	<b>\$358,401</b>	<b>Complete</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
2-1	Reservoir Sediment Samples	\$185,833	Complete	\$0	\$0	\$0	\$0	\$0
2-2	Describe Alternatives	\$42,692	Complete	\$0	\$0	\$0	\$0	\$0
2-3	Geomorphic Effects of Changes in Sediment	\$129,876	Complete	\$0	\$0	\$0	\$0	\$0
<b>3</b>	<b>Evaluate Effects on Steelhead</b>	<b>\$54,049</b>	<b>Incomplete</b>	<b>\$8,609</b>	<b>\$0</b>	<b>\$11,107</b>	<b>\$14,109</b>	<b>\$33,825</b>
3-1	Increase in Sediment Transport	\$31,340	Incomplete	\$4,992	\$0	\$0	\$5,521	\$10,512
3-2	No Increase in Sediment Transport	\$9,080	Incomplete	\$1,446	\$0	\$0	\$2,476	\$3,923
3-3	Alternative Water Supply & Task 3 TM	\$13,629	Incomplete	\$2,171	\$0	\$0	\$6,112	\$8,283
3-4	Incorporate NMFS Results	\$0	Incomplete	\$0	\$0	\$11,107	\$0	\$11,107
<b>4</b>	<b>Identify Feasible Alternatives</b>	<b>\$111,516</b>	<b>Incomplete</b>	<b>\$17,762</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,762</b>
4-1	TRC Meeting No. 2	\$40,442	Incomplete	\$6,441	\$0	\$0	\$0	\$6,441
4-2	Alternative Development	\$56,260	Incomplete	\$8,961	\$0	\$0	\$0	\$8,961
4-3	TRC Meeting No. 3	\$14,814	Incomplete	\$2,359	\$0	\$0	\$0	\$2,359
<b>5</b>	<b>Final Report</b>	<b>\$51,878</b>	<b>Incomplete</b>	<b>\$8,263</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,263</b>
5-1	Prepare Draft and Final Report	\$51,878	Incomplete	\$8,263	\$0	\$0	\$0	\$8,263
<b>6</b>	<b>Project Management</b>	<b>\$80,464</b>	<b>Incomplete</b>	<b>\$12,816</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$12,816</b>
6-1	Project Administration	\$43,426	Incomplete	\$6,917	\$0	\$0	\$0	\$6,917
6-2	Meetings and Conference Calls	\$37,038	Incomplete	\$5,899	\$0	\$0	\$0	\$5,899
	<b>Totals</b>	<b>\$700,700</b>		<b>\$47,449</b>	<b>\$21,553</b>	<b>\$11,107</b>	<b>\$14,109</b>	<b>\$94,218</b>

\*Total additional cost due to 3 percent annual escalation applied to current budget

